

Commissioner Stewart: Health Insurers Will Rebate More Than \$2 Million to Delaware Consumers

DOVER, DE – Insurance Commissioner Karen Weldin Stewart announced today that insurers will issue more than \$2 million in rebates to 14,399 health insurance policyholders in Delaware as a result of the Affordable Care Act's 80/20 Medical Loss Ratio rule.

The rule requires insurers in the individual and small group markets to spend at least 80 percent of premium dollars on medical costs and activities that improve the quality of health care, and no more than 20 percent on administrative costs, including executive salaries, overhead and marketing. In the large group market, the ratio is higher – insurers must spend at least 85 percent of premiums on health care and quality improvements.

Any company selling health insurance in Delaware that fails to meet these standards will owe policyholders a refund. Rebates for individual market premiums are paid directly to the consumers, while those for small and large groups are paid to the employer who purchased those group plans.

Rebates may take the form of a check in the mail, a lump-sum reimbursement to a bank account (if the premium was paid by credit or debit card), or a direct reduction in future premiums.

The following chart provides a list of those insurers who owed rebates to Delaware consumers based on their Medical Loss

Ratio for coverage year 2014. Any company not listed equaled or exceeded the MLR requirement:



A screenshot of a presentation slide titled "Delaware MLR: Issuers Owing Rebates for 2014". The slide features a table with four columns: "Company", "Rebate - Individual Market", "Rebate - Small Group Market", and "Rebate - Large Group Market". The table lists ten insurance companies and their respective rebate amounts for 2014. The total rebates for 2014 are summarized at the bottom of the table.

Company	Rebate - Individual Market	Rebate - Small Group Market	Rebate - Large Group Market
AmenHealth HMO, Inc.	\$ 0	\$ 0	\$ 92,667
Cigna Health and Life Company	\$ 0	\$ 0	\$ 864,479
Coventry Health and Life	\$ 307,674	\$ 0	\$ 0
Coventry Health Care of Delaware, Inc.	\$ 0	\$ 405,850	\$ 0
Mid-West National Life Insurance Company of Tennessee	\$ 100,026	\$ 0	\$ 0
QCC Insurance Company	\$ 0	\$ 0	\$ 12,772
Time Insurance Company	\$ 194,073	\$ 0	\$ 0
UnitedHealthcare Insurance Company	\$ 0	\$ 94,666	\$ 0
Total Rebates (2014)	\$ 691,773	\$ 500,516	\$ 969,918

(Click on image above to view a larger, clearer image.)

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